

Workforce Conditions Through December

Presented to
**Consensus Economic Forecasting Commission
& Revenue Forecasting Committee**

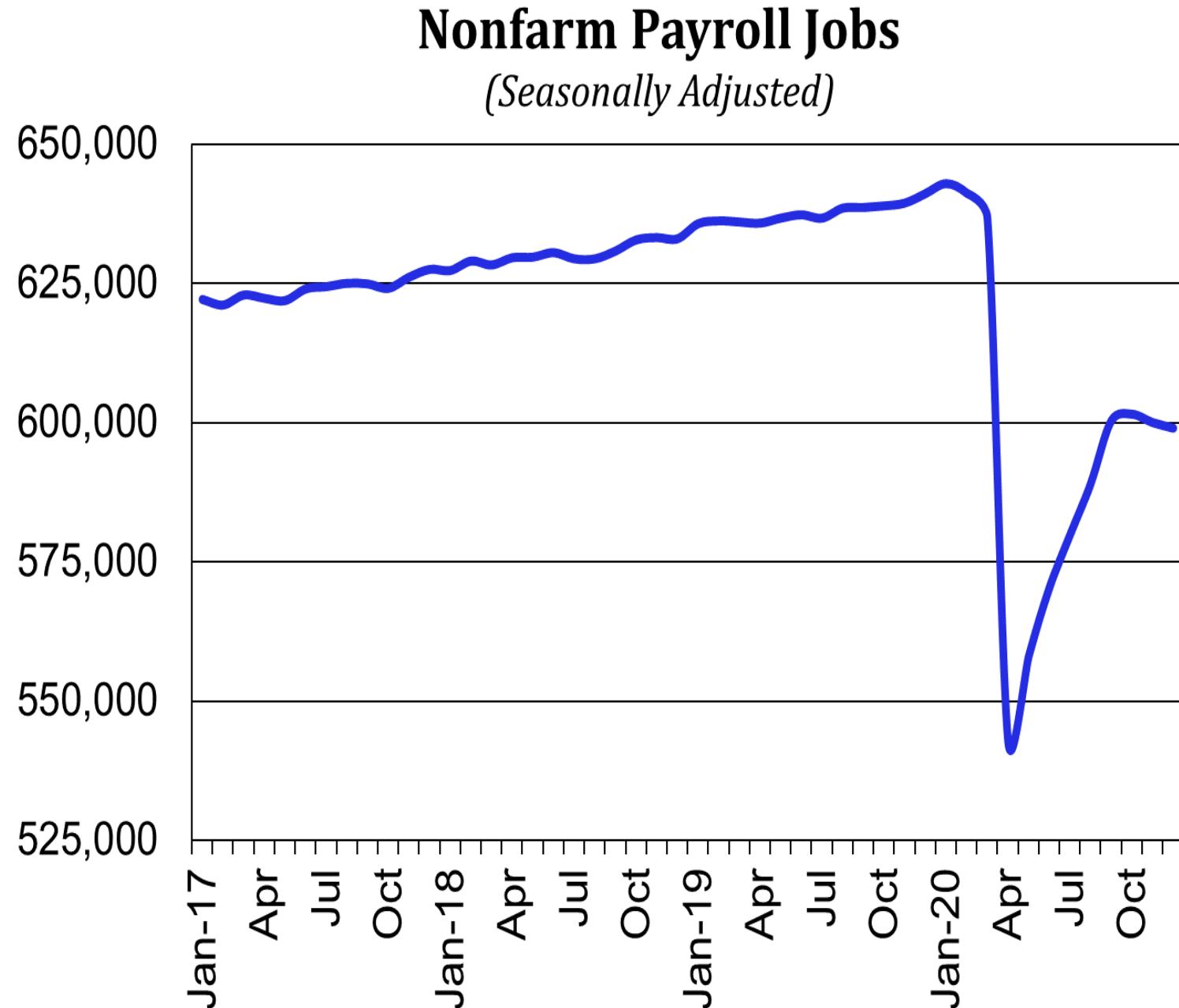
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The number of jobs remains well below pre-pandemic levels.

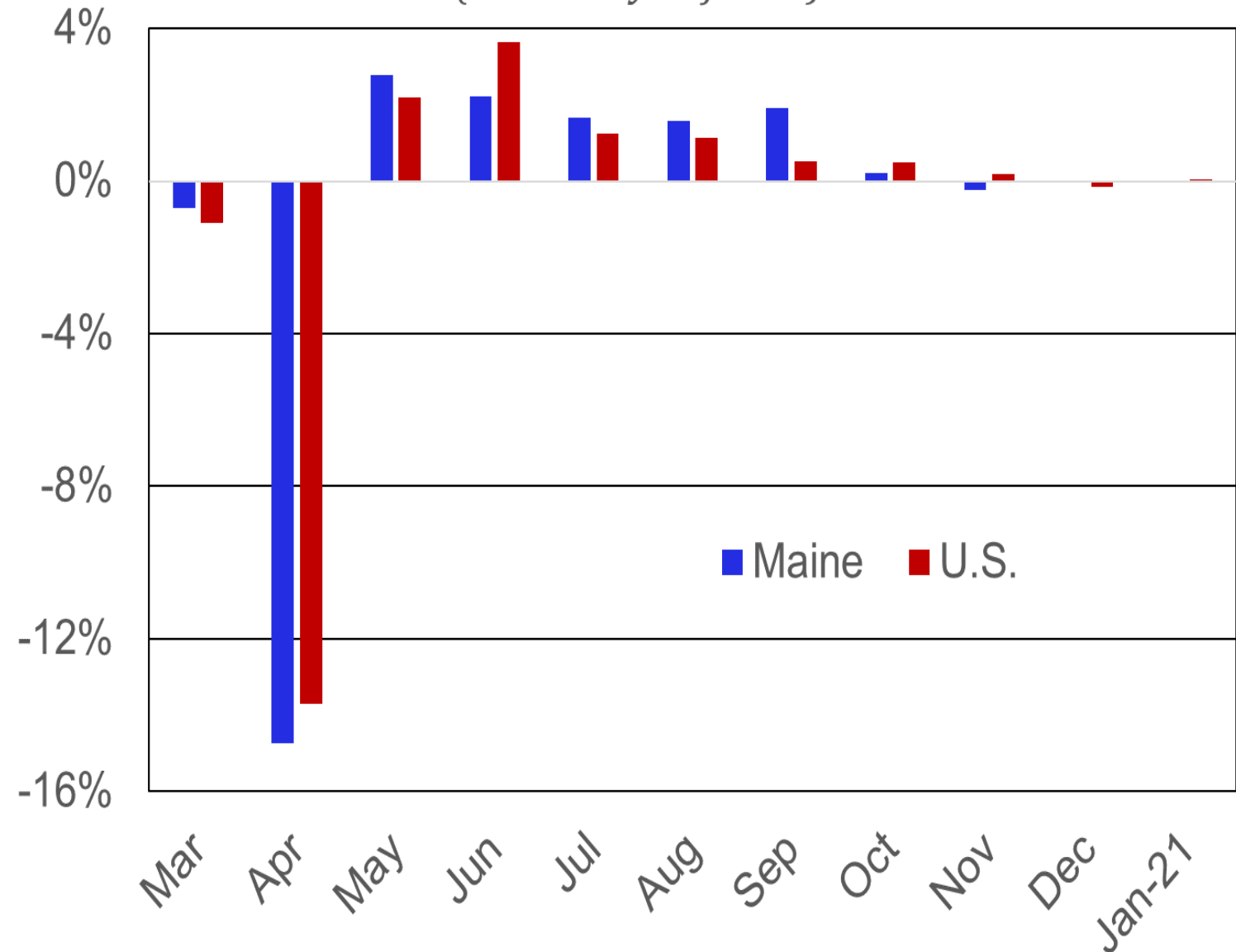
(NOTE: Annual data revisions are complete, but not yet official pending incorporation of new seasonal adjustment factors. These charts reflect revised data using previously used factors. Official data published at the end of February will be slightly different.)



The fall virus surge stalled the jobs recovery, both in Maine and nationally. In December there were 93.4% as many jobs as in February, virtually the same as the nation.

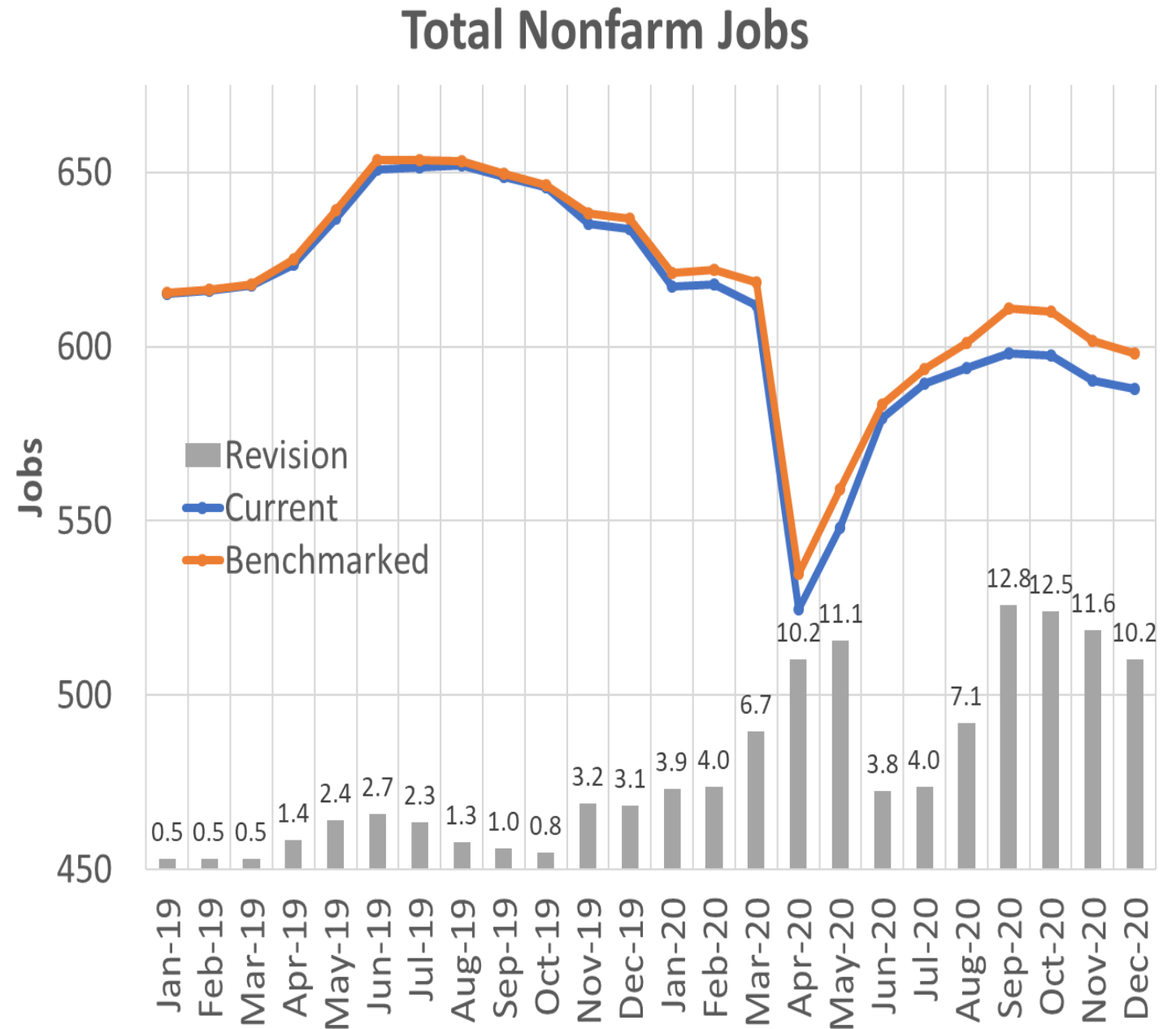
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Over Month Change in Jobs (Seasonally Adjusted)



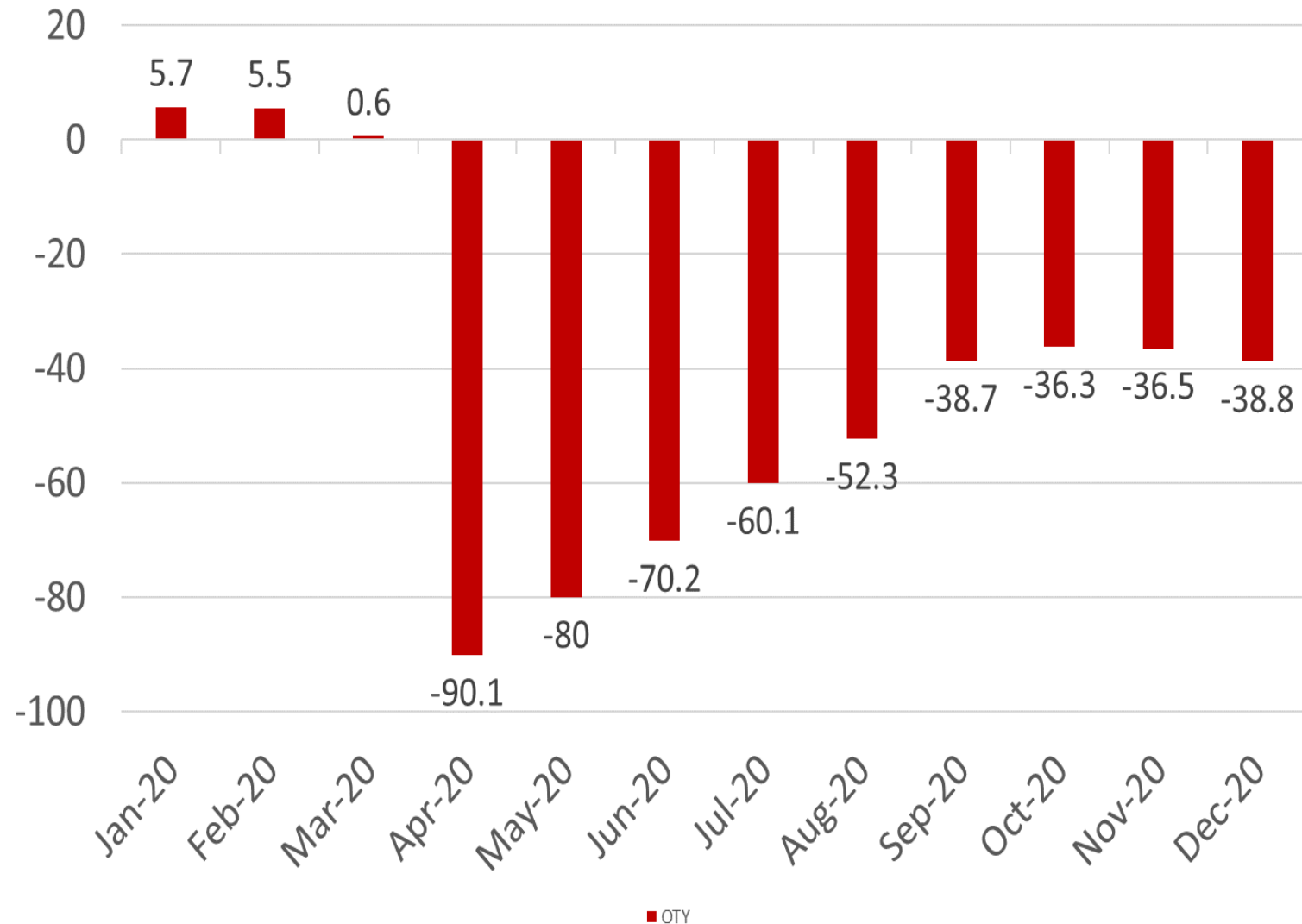
Revisions to not seasonally adjusted data indicate there was an average of 1,600 more jobs in 2019 and 8,200 more in 2020 than currently official estimates indicate.

In December there were 38,800 fewer jobs than 12 months earlier.



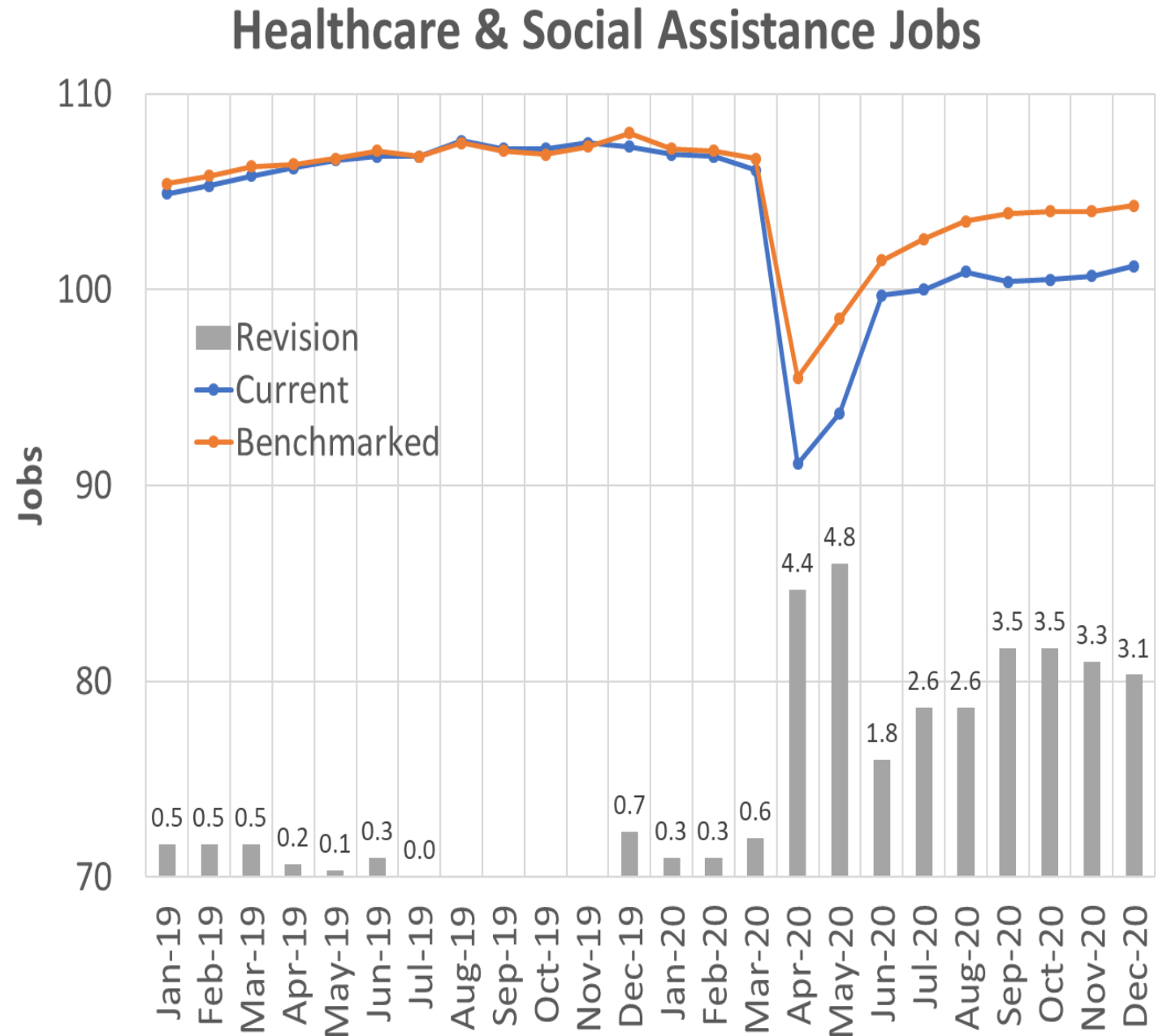
Over the year decreases in the number of jobs improved during the summer, but stalled in the fall.

Over the Year Change in Nonfarm Payroll Jobs, 2020 *(in thousands)*



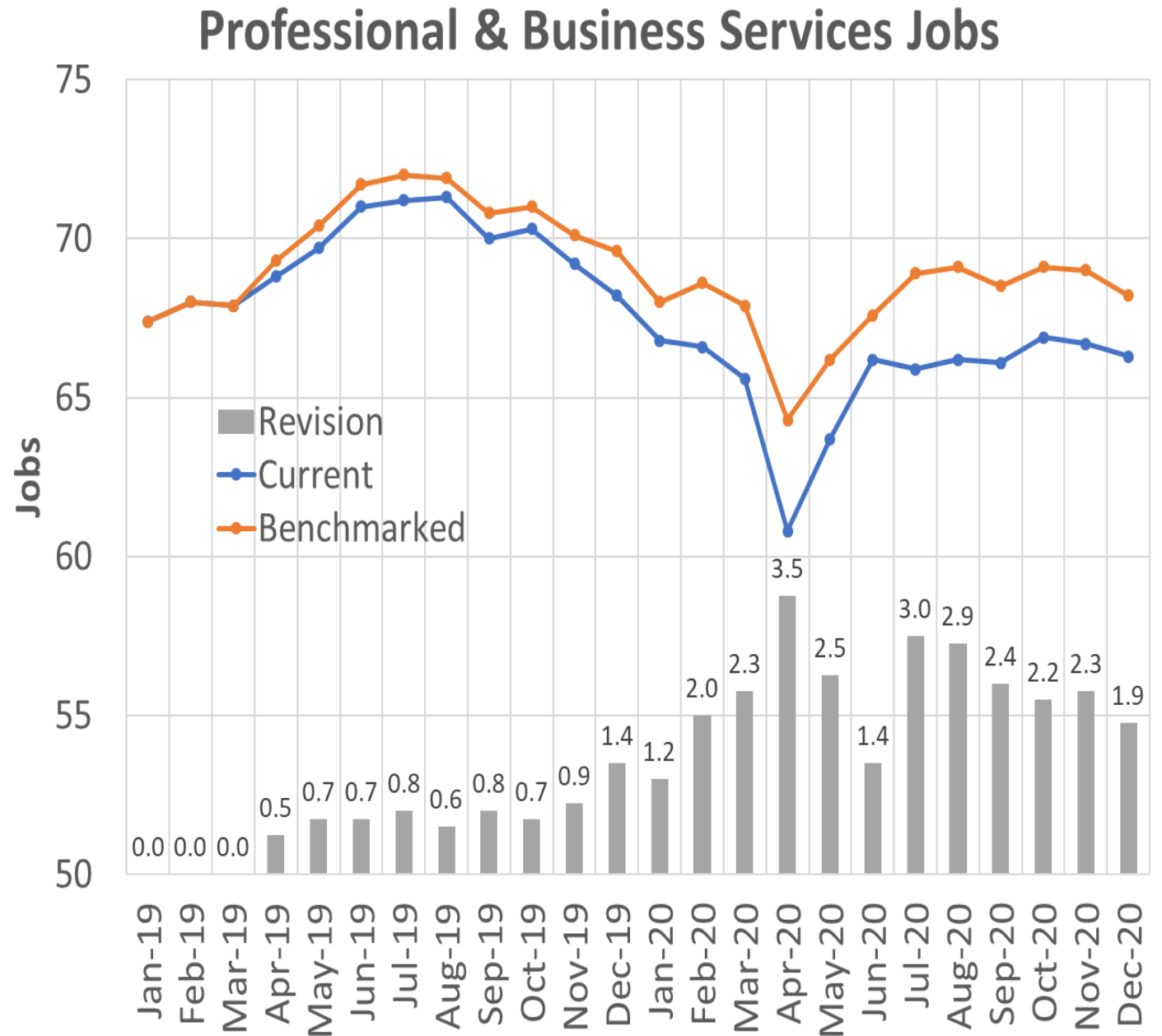
Healthcare and social assistance will be revised up an average of 2,600 jobs in 2020.

In December there were 3,700 fewer jobs than 12 months earlier.



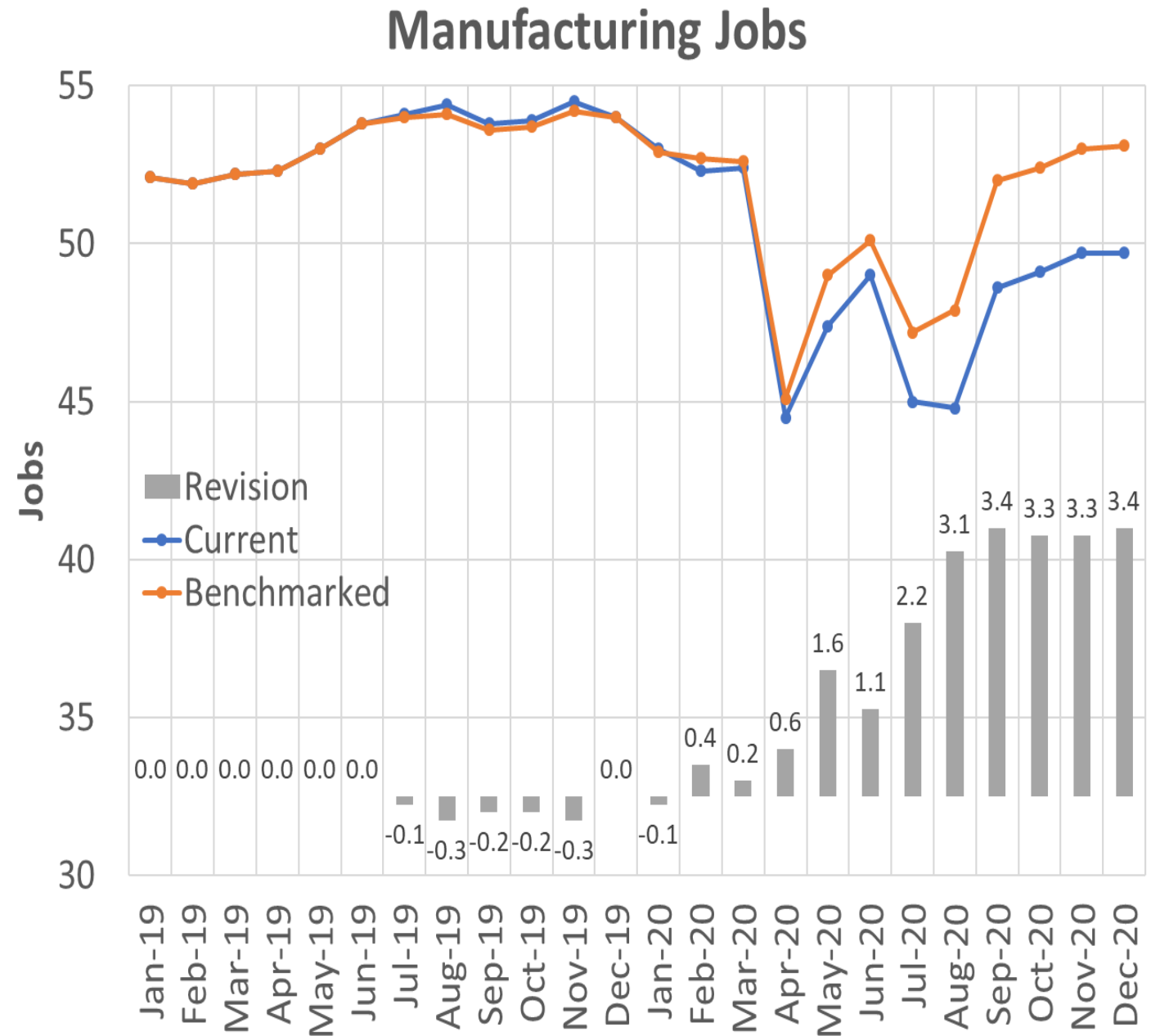
Professional & Business Services will be revised up an average of 2,300 jobs in 2020.

In December there were 1,400 fewer jobs than 12 months earlier.



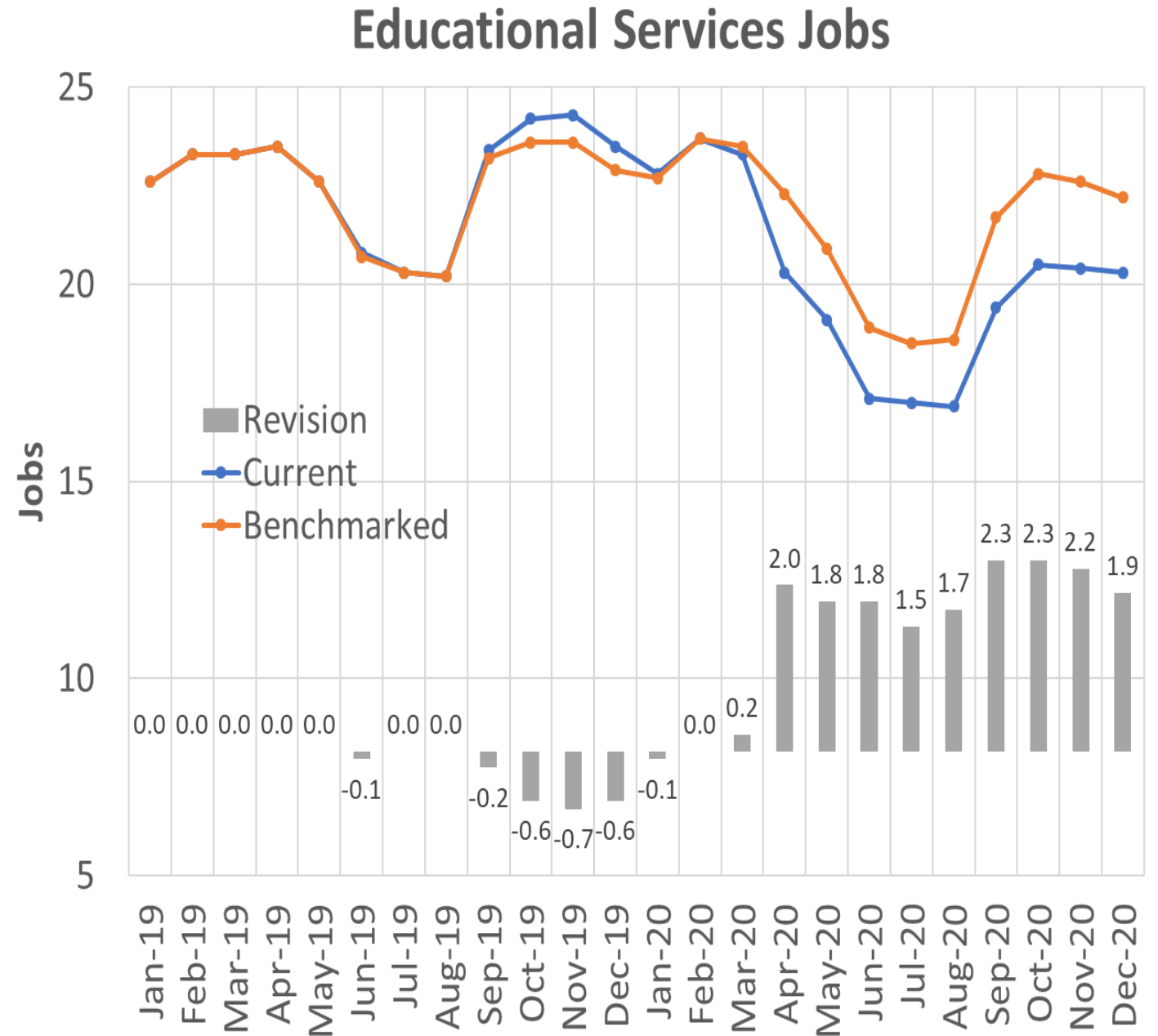
Manufacturing will be revised up an average of 1,900 jobs in 2020.

In December there were 900 fewer jobs than 12 months earlier.



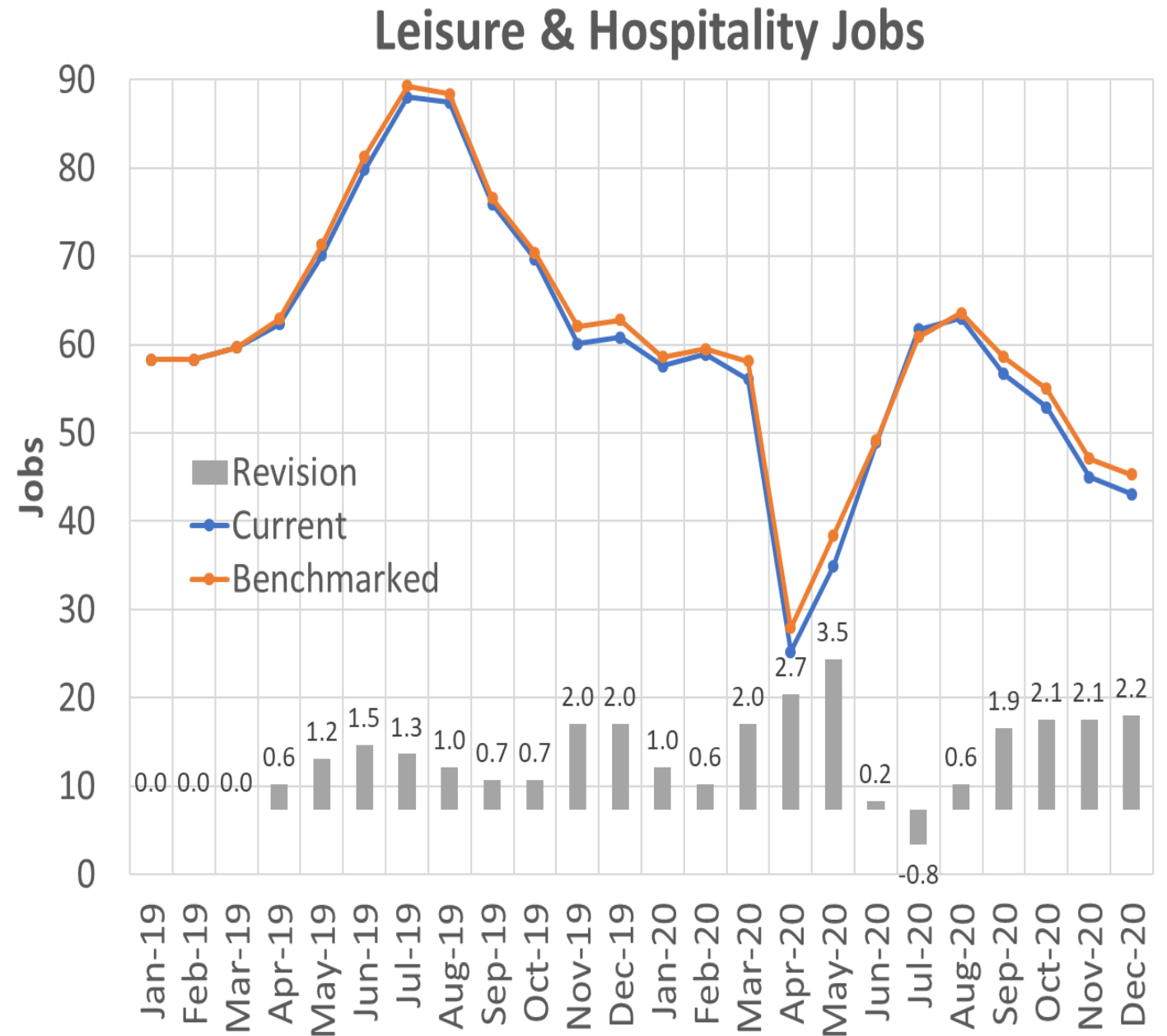
Educational Services will be revised up an average of 1,500 jobs in 2020.

In December there were 700 fewer jobs than 12 months earlier.



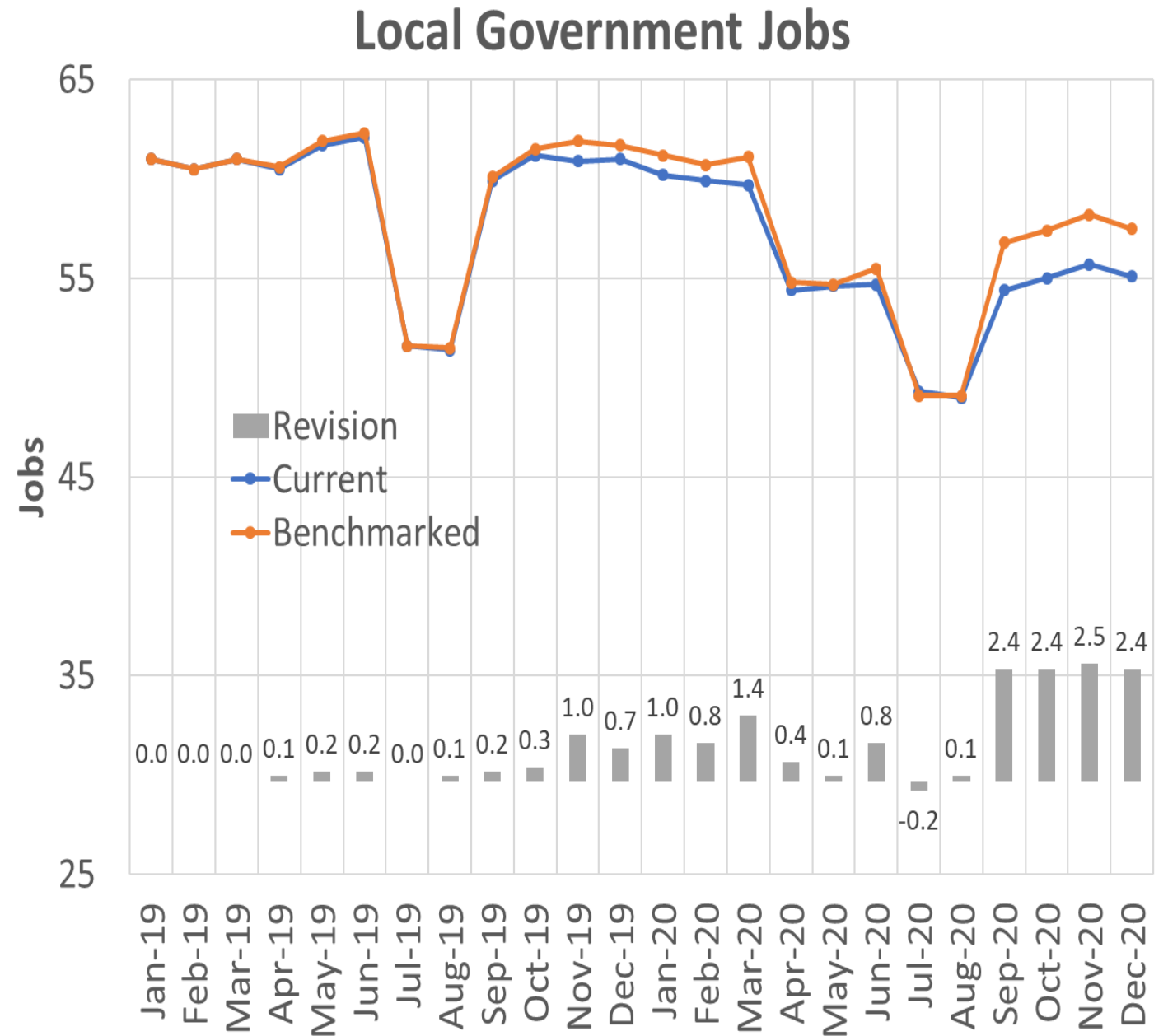
Leisure & Hospitality
will be revised up an
average of 1,500
jobs in 2020.

In December there
were 17,500 fewer
jobs than 12 months
earlier.



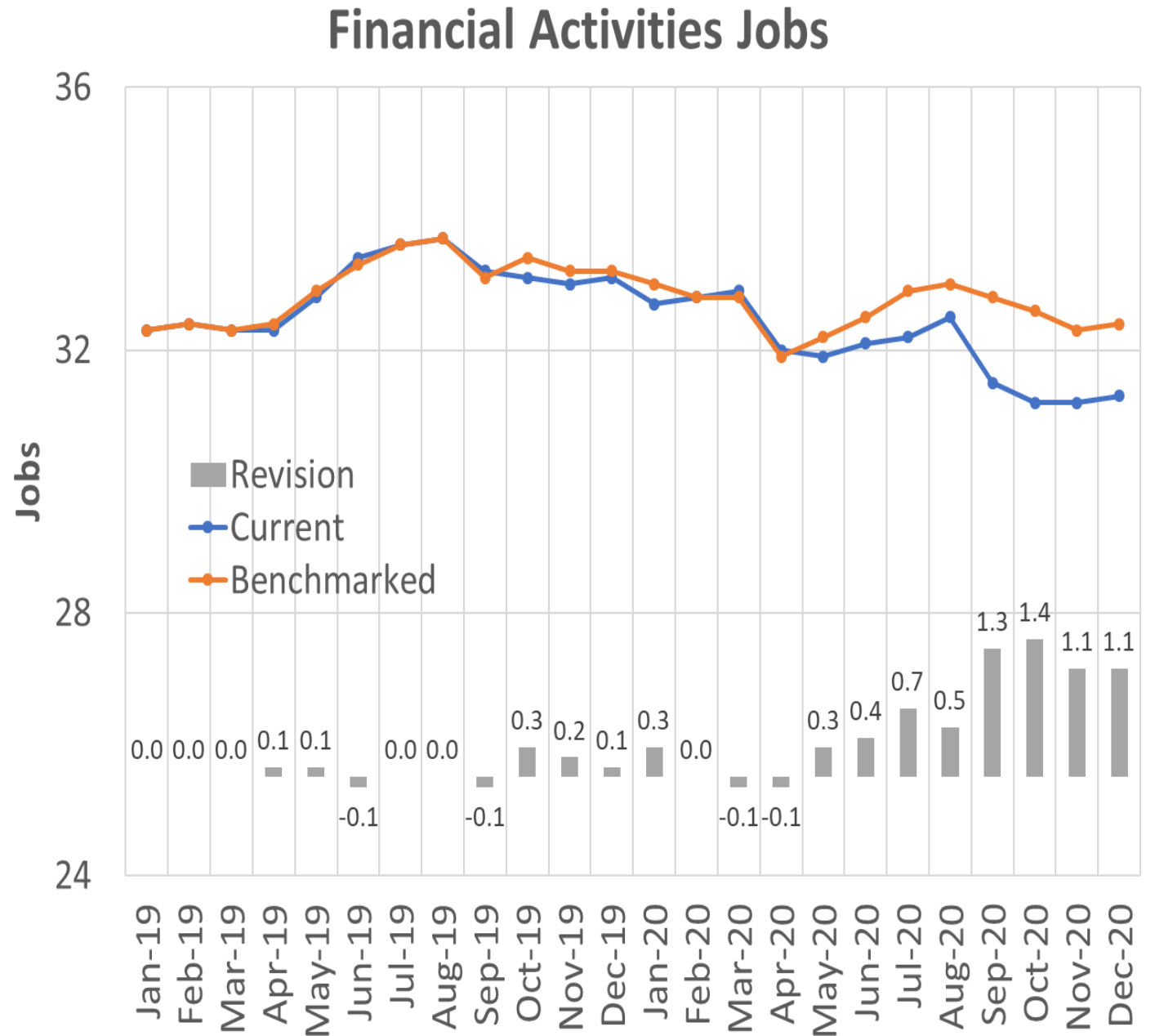
Local Government
will be revised up an
average of 1,200
jobs in 2020.

In December there
were 4,200 fewer
jobs than 12 months
earlier.



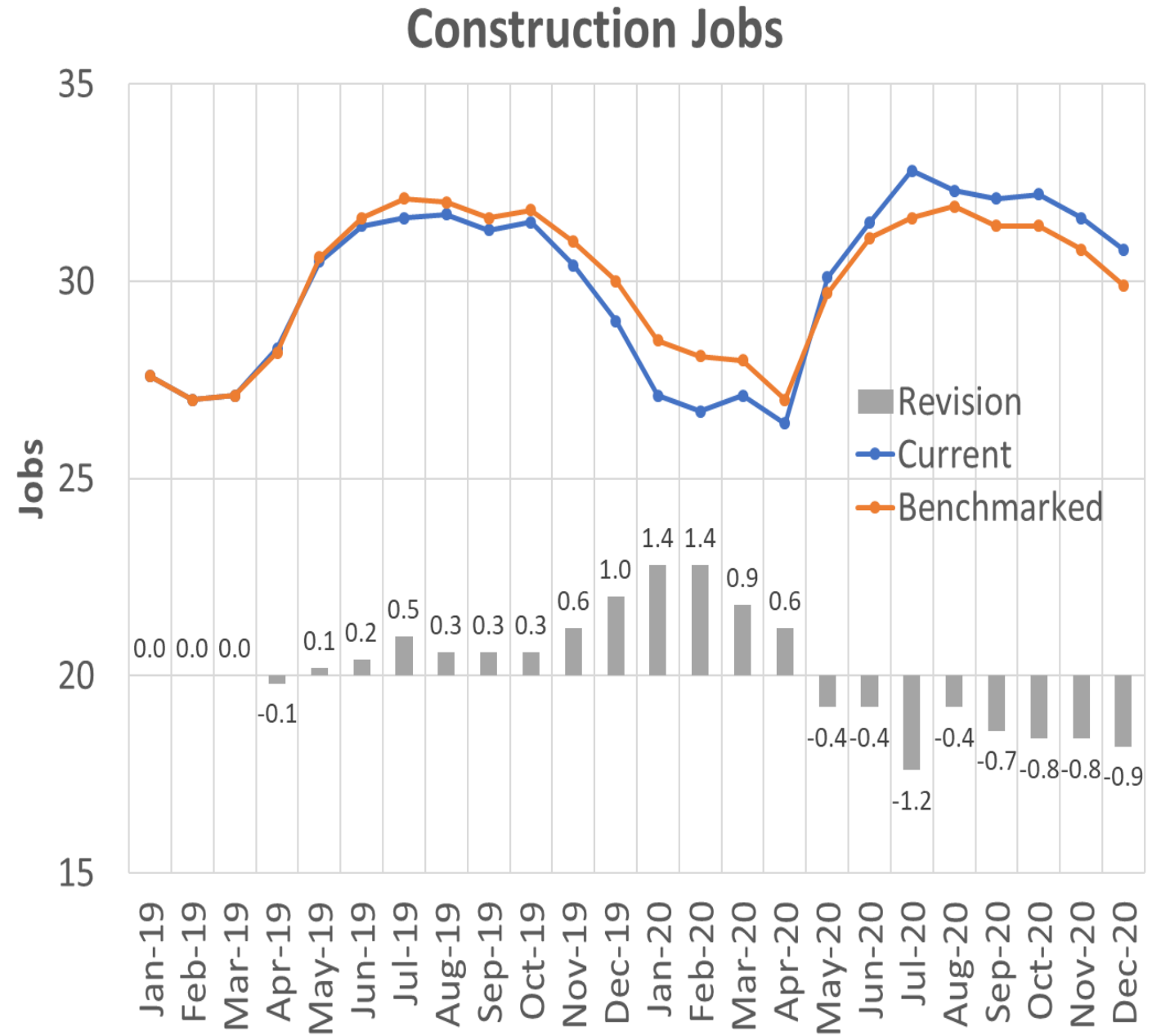
Finance will be revised up an average of 600 jobs in 2020.

In December there were 800 fewer jobs than 12 months earlier.



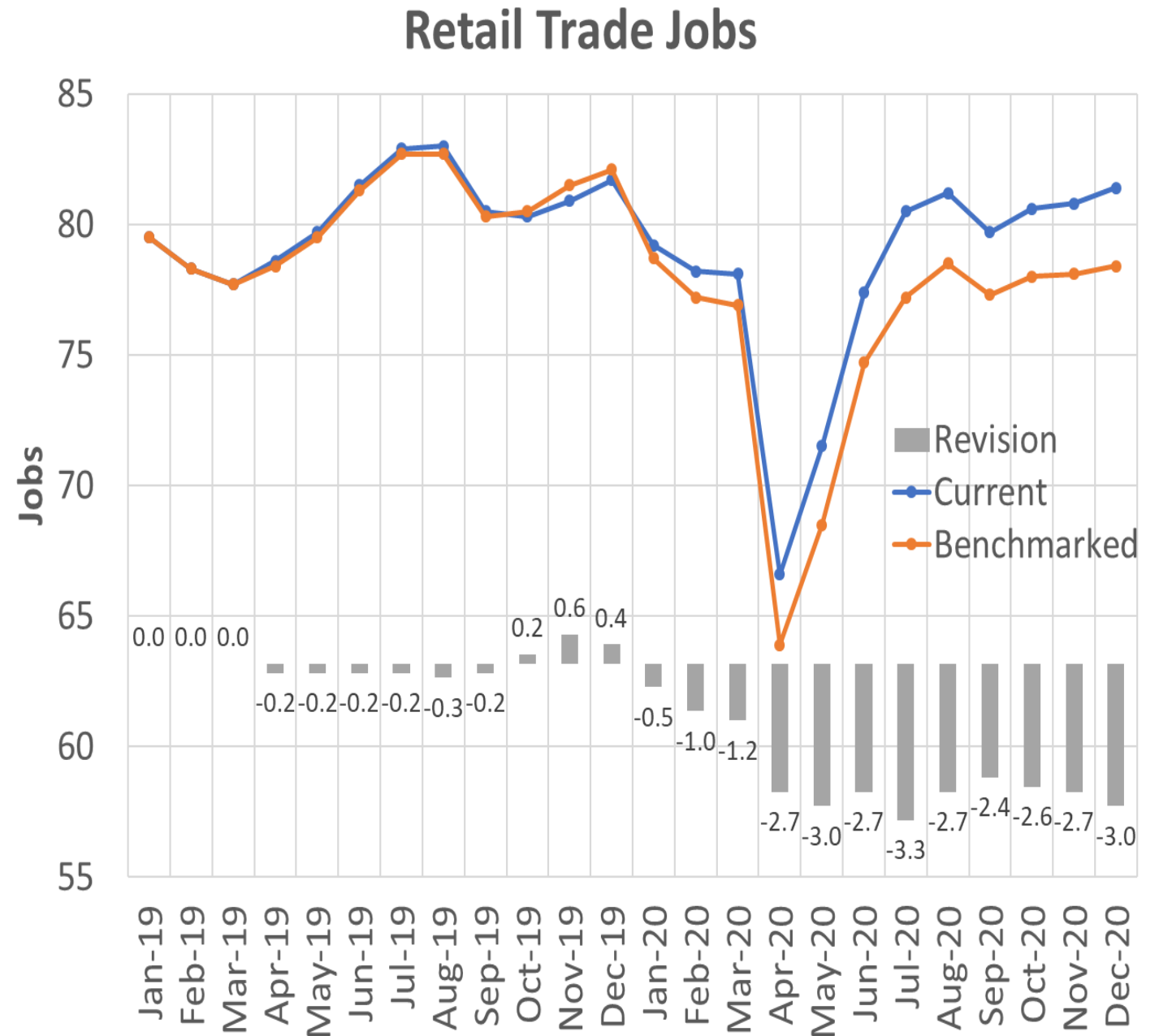
Construction will be revised down an average of 100 jobs in 2020.

In December there were 100 fewer jobs than 12 months earlier.



Retail Trade will be revised down an average of 2,300 jobs in 2020.

In December there were 3,700 fewer jobs than 12 months earlier.

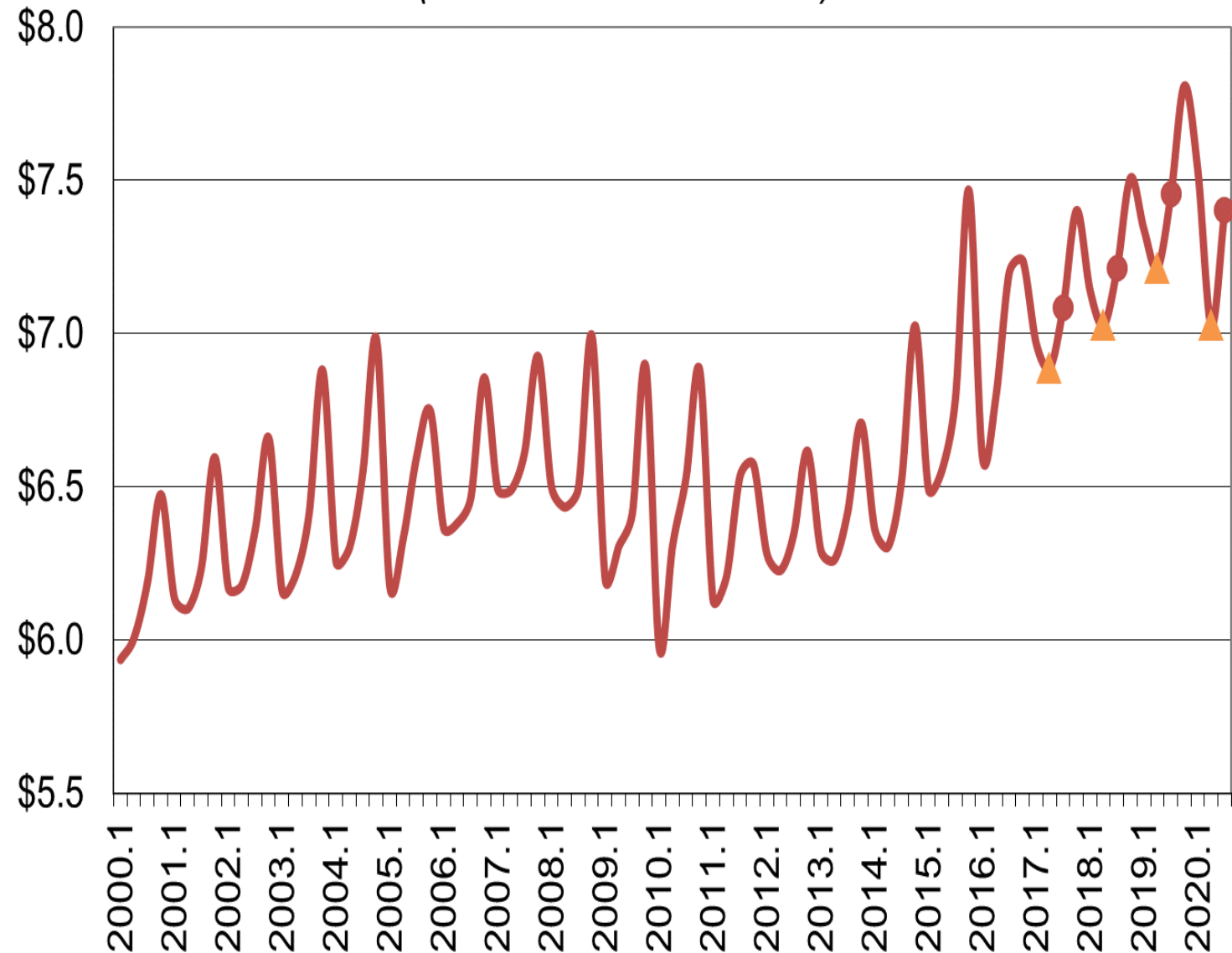


Total Wages paid in the second and third quarters were down \$238 million from the same period in 2019 in 2020 Q3 \$.

The decrease in the leisure & hospitality sector was larger than the net decrease across all sectors.

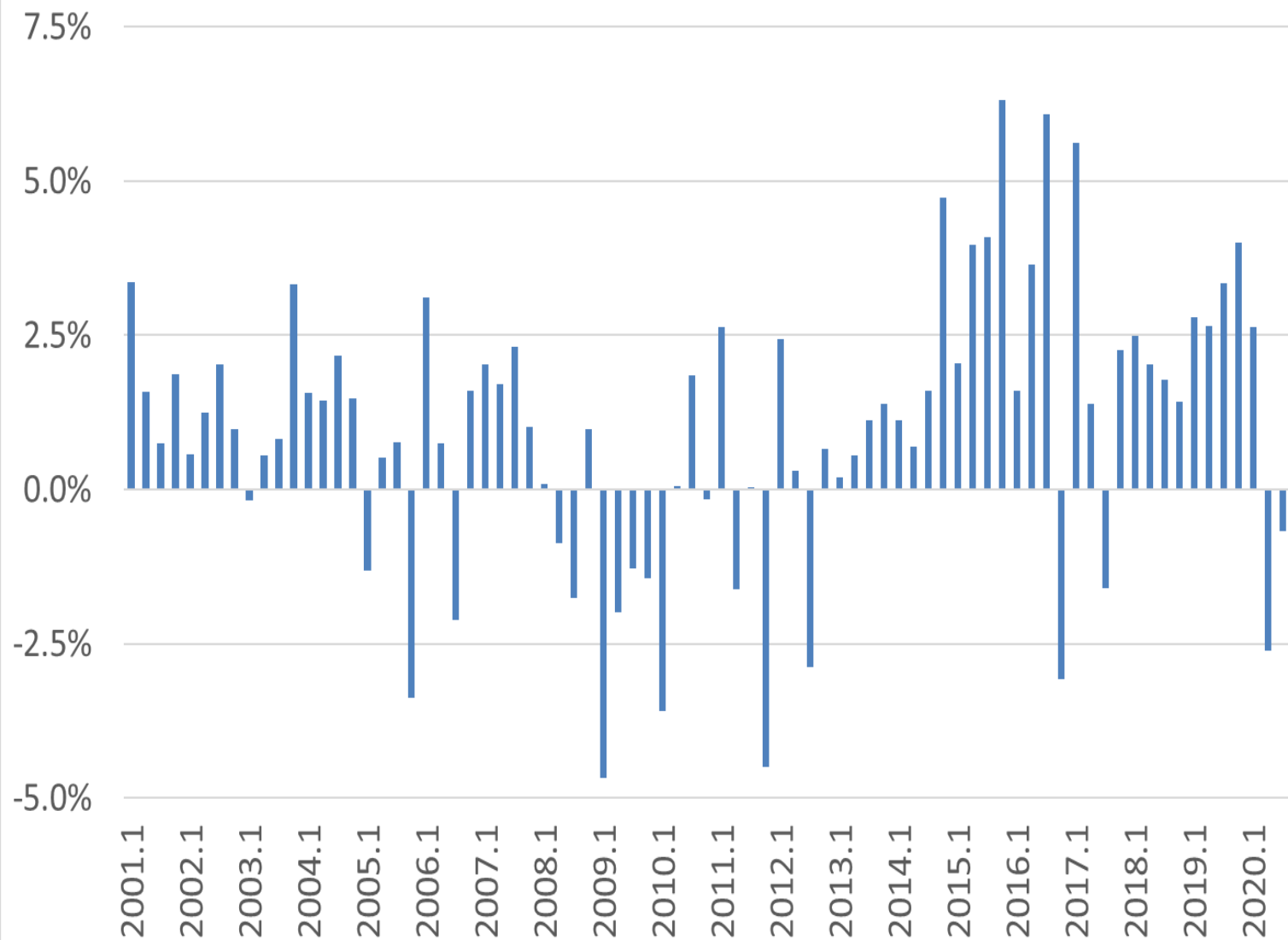
Total Wages Paid in Quarter

(in Billions of 2020 Q3 \$)



The two quarter decrease in total wages paid in 2020 is less than what occurred during the previous recession.

Percent Change in Total Wages Paid from Prior Year *(in 2020 Q3\$)*



More than 6,000 Maine employers receive new pandemic aid

About \$463 million in new Paycheck Protection Program forgivable loans has been approved in the month since applications started.

The reauthorized Paycheck Protection Program has attracted about 6,100 small Maine employers in the month since applications were accepted.

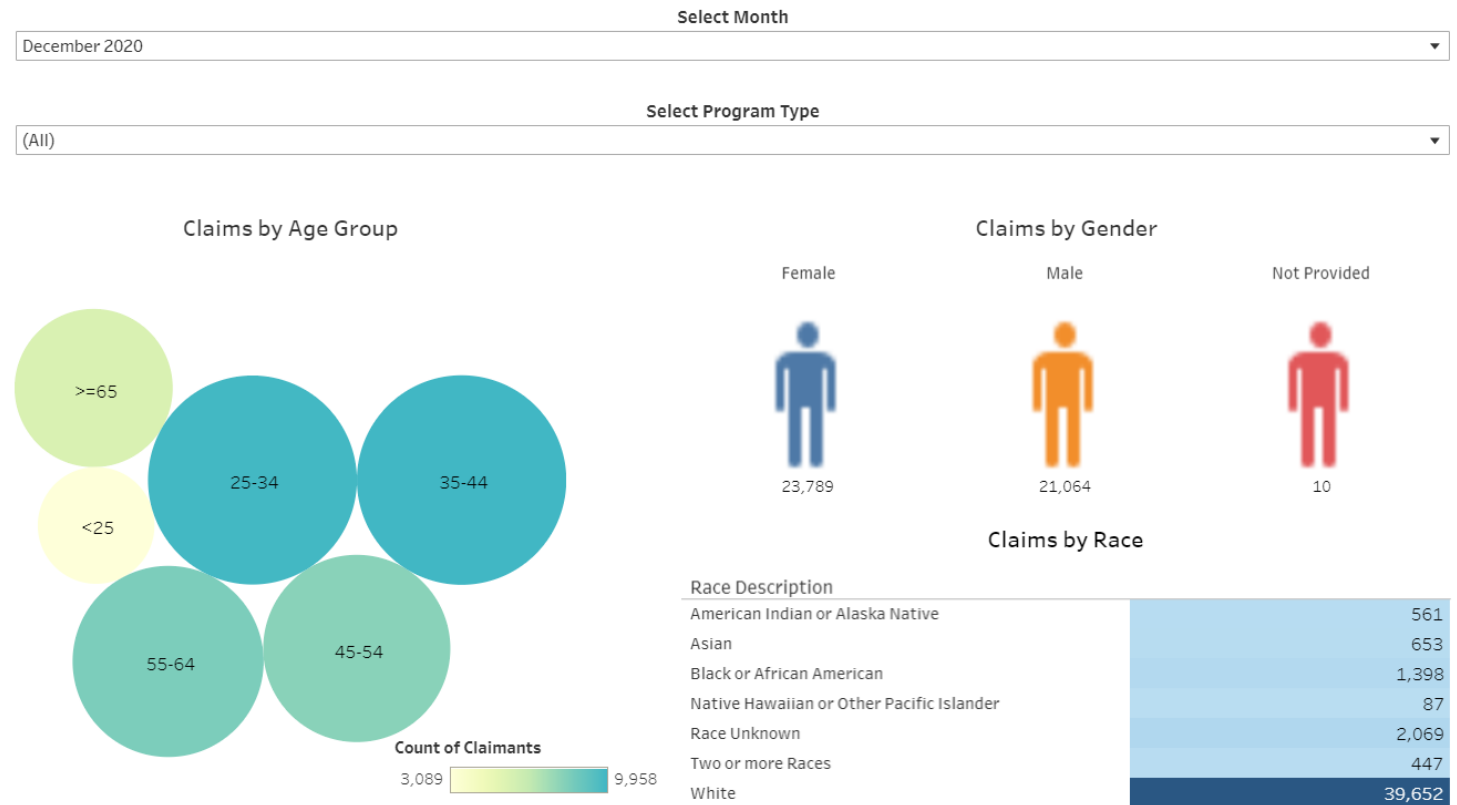
About \$463 million in forgivable loans has been approved for Maine businesses, according to Republican Sen. Susan Collins, an architect of the program.

PPP loans provide funding to cover payroll and basic expenses for small employers. If borrowers follow program rules and spend most of the money to pay workers and avoid layoffs, the loans can be converted into grants.

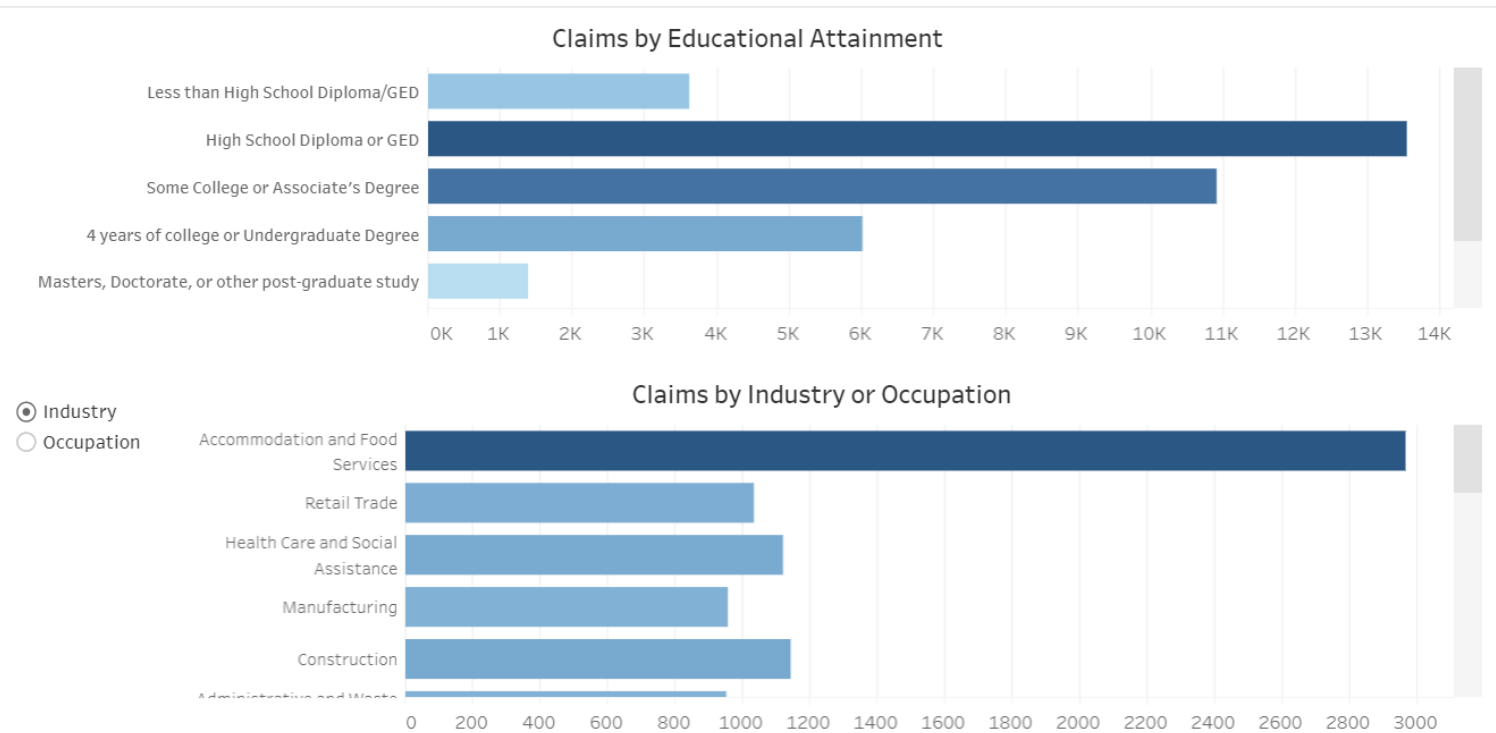
Last year, more than 28,000 PPP loans valued at almost \$2.3 billion were approved in Maine. The program is credited with supporting 250,000 jobs last spring, during a period of incredible economic uncertainty amid the coronavirus pandemic. About \$525 billion in loans was approved nationwide last year.

In December, Congress approved another \$284 billion for the loan program. Businesses that received a loan last year can get another if they have 300 or fewer employees and show a 25 percent revenue loss in one quarter of 2020 compared with the same period the year before.

Throughout the pandemic claimants for unemployment compensation have been higher than their share of the population among younger people and women. This is because they hold a majority of jobs in the most impacted industries, including hospitality, education, healthcare, and social assistance.

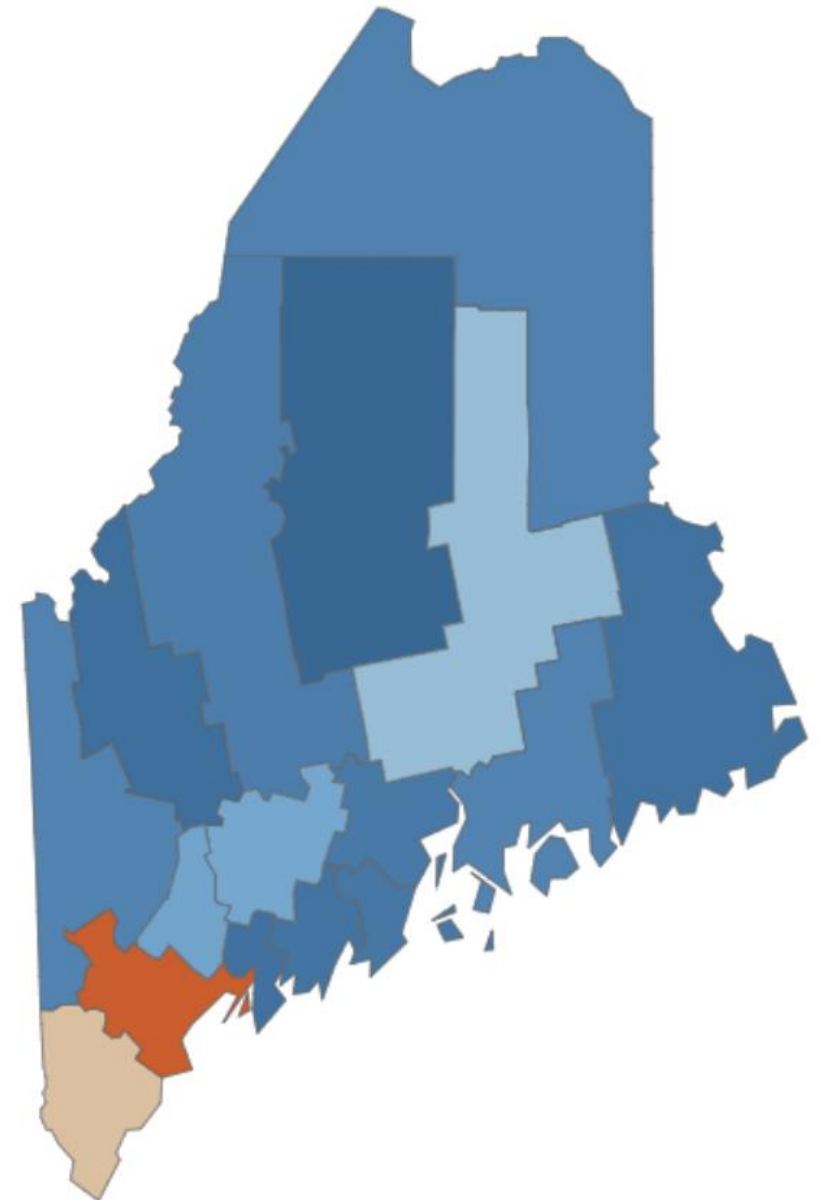


In December, among claimants where educational attainment is identified, only 20 percent had four years of college education or higher (across all state and federal programs). 80 percent had a high school diploma or less, or some college or associate's degree

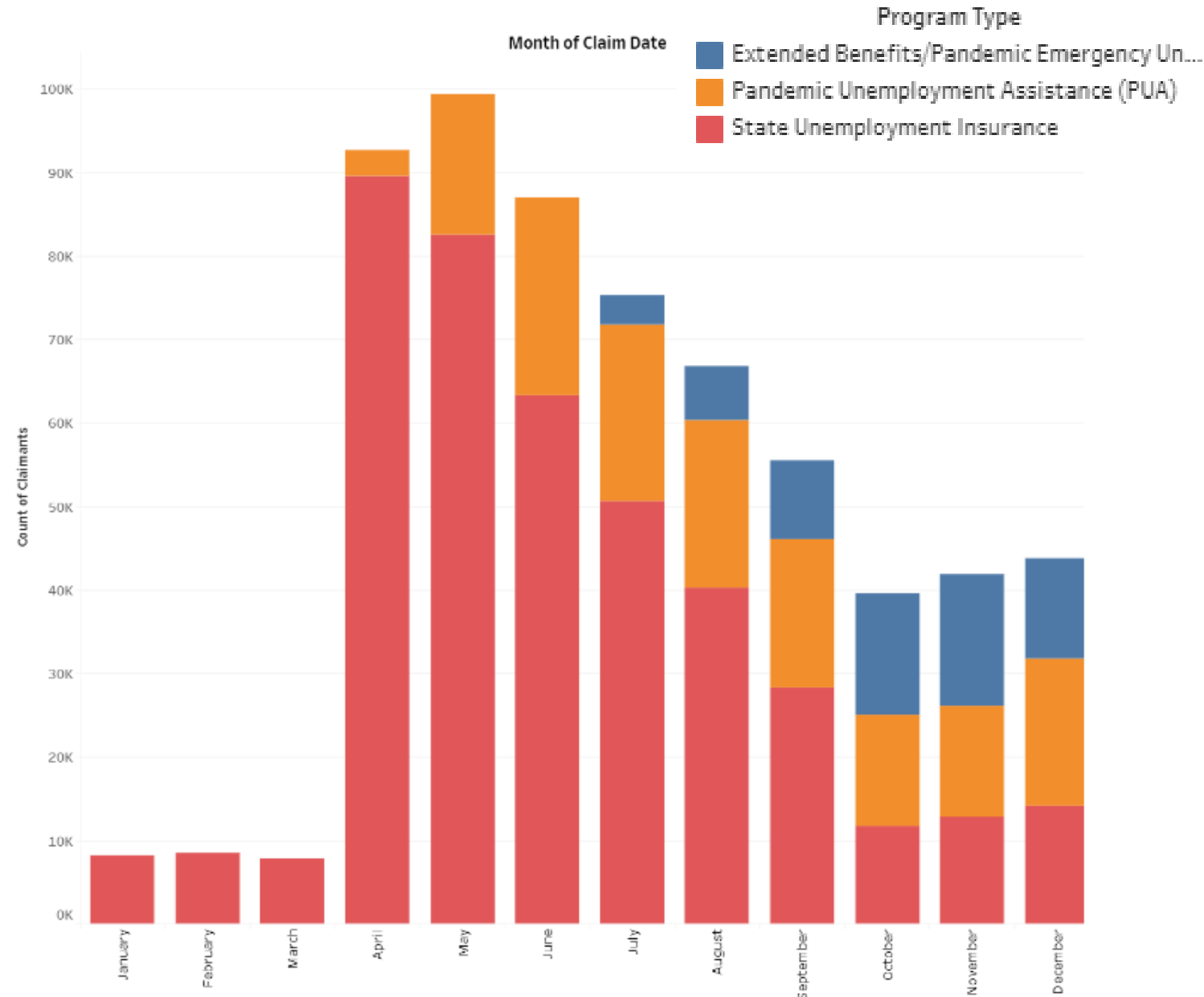


Around the state the number of claims have been highest along the I-95 corridor, reflecting the concentration of population and jobs there.

Androscoggin	3,453
Aroostook	2,017
Cumberland	9,620
Franklin	974
Hancock	2,168
Kennebec	3,700
Knox	1,353
Lincoln	1,191
Oxford	2,008
Penobscot	4,677
Piscataquis	507
Sagadahoc	975
Somerset	1,767
Waldo	1,477
Washington	1,214
York	6,607



The number of claimants in regular State Unemployment Compensation has come down sharply as people have become reemployed or exhausted 26 weeks of benefits. Many claimants exhausting regular benefits have additional eligibility in emergency programs. The total number of claimants across programs is much lower, but remains elevated.



The nearly \$1.9 billion increase unemployment compensation benefits paid in 2020 is much larger than the net decrease in wages paid in the first three quarters of the year (and will exceed the net decrease for the year).

BENEFITS PAID	CY 2020	CY 2019
Regular UI Claims <i>Total benefits paid</i>	\$564.3M	\$84.5M
Pandemic Unemployment Assistance	\$165.6M	\$0
Federal Pandemic Unemployment Compensation	\$1.0B	\$0
Pandemic Emergency Unemployment Compensation	\$70.9M	\$0
State Extended Benefits	\$4.7M	\$0
Sub Total	\$1.8B	\$0
Lost Wage Assistance	\$102.0M	\$0
Pandemic Relief Program (estimated)	\$25.2M	\$0
All Claims <i>Total Benefits Paid (estimated)</i>	\$1.9B	\$84.5M